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# Secret Contacts With Iran Seen Hurting U.S. Credibility

## *Arms-for-Hostages Deal Has Wide Impact*

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The revelations of secret U.S.-Iranian contacts involving the supply of military equipment in return for help in freeing American hostages in Lebanon have stirred new suspicions among allies and rivals in the Middle East and damaged the credibility of the U.S. policy of ostracizing supporters of terrorism, according to government officials and analysts in Europe and the Middle East.

The clandestine links between Washington and Tehran have cast new light on a continuing power struggle among rival factions within Iran jockeying for power under Ayatollah Ruhollah Khomeini, 86 and reportedly ailing from a recent heart attack. The latest turn in the hostage situation has unveiled growing tension between Iran and Syria as they compete for influence in Lebanon.

New questions also have been raised about the intentions of Israel and Saudi Arabia as they seek to exploit the six-year war between Iran and Iraq to improve their strategic positions.

But the first casualty of the U.S.-Iranian connection appears to be U.S. leadership in the drive to isolate nations accused of backing terrorism. European allies have been quick to underscore the hypocrisy of advocating an arms embargo against Iran and sanctions against Libya while the United States was engaging in sporadic arms shipments to Tehran to secure the release of the hostages.

"The American government is now going to find itself in a position where its high moral tone on negotiating with terrorists is not going to be taken all that seriously," said an Italian official.

Ironically, the U.S. government in recent months has closely coordinated its efforts to free the hostages with France, which is seeking the release of six French hostages believed to be held by Shiite Moslem militants in Lebanon.

The United States and France concluded as early as last year that Iran, and not Syria, was the key bargaining partner if efforts were to succeed in gaining the freedom of the captives. At the same time, both countries hoped to use their respective hostage situations to influence the political power struggle in Tehran and enhance the position of people believed to be moderates who might be willing to pursue more friendly relations with the West in the twilight of Khomeini's rule.

But both countries have found their efforts to deal with the Islamic fundamentalist government frustrated by the capricious forces of revolutionary Iran and its enduring xenophobia toward the West.

Last March the French government dispatched Eric Rouleau, a former correspondent for the newspaper *Le Monde* with wide experience in the Middle East, to Tehran as a special envoy to discuss the release of the French hostages. Rouleau was well received and held encouraging talks, but later his visit was denounced by hard-liners in the Iranian government who foiled chances of getting Shiite militants to free the hostages in Lebanon.

The Rouleau mission bears similarities to the trip by Robert C. McFarlane, President Reagan's former national security affairs adviser who visited Tehran in September to discuss a hostage release in exchange for weapons and spare parts to shore up Iran's sagging military effort. In addition, McFarlane re-

portedly sought to pursue broader goals of curbing all Iranian support for terrorism abroad and a general improvement in U.S.-Iranian relations. Diplomatic ties were broken in 1980 when Iran was holding American citizens hostage.

The McFarlane mission was first reported last week by Ash Shiraa, a pro-Syrian magazine published in Lebanon. According to the magazine's editor, the account of the McFarlane visit was leaked by supporters of Mehdi Hashemi, a relative of Khomeini's chosen successor, Ayatollah Hossein Ali Montazeri, who is in charge of Iran's support for fundamentalist Islamic movements abroad.

Hashemi was arrested recently on treason and murder charges in what his supporters contended was a power grab by Speaker of Parliament Ali Akbar Hashemi Rafsanjani and Prime Minister Mir Hossein Mousavi. Both men are known as pragmatic moderates, who are prepared to forsake the export of revolution in favor of less hostile relations with Saudi Arabia and other Persian Gulf nations.

The account of McFarlane's visit was clearly intended to embarrass Rafsanjani's faction by tainting him publicly with connections to "the Great Satan," as the United States is called in revolutionary Iran.

Rafsanjani quickly responded with a speech mocking McFarlane's attempts at brokering a hostage release. In remarks published at length by Iran's official news agency, Rafsanjani said McFarlane and four companions arrived in Tehran disguised as airplane crewmen bearing Irish passports. He said they came with such tokens of good will as a Bible signed by President Reagan, several pistols and a cake in the shape of a key symbolizing a possible breakthrough to better relations between the United States and Iran. They had been held for four days and then expelled, he said.

The struggle appeared to intensify last week, as 200 more supporters of Montazeri were reportedly arrested. In Isfahan and other major cities, Revolutionary Guards

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have fanned out to prevent disturbances and protests over the arrests, according to residents in Iran reached by telephone.

The growing conflict reflects what analysts of Iran and the Middle East said is an unresolved dispute over whether Iran's revolution should be carried across frontiers to the rest of the Islamic world or whether the government should concentrate on immediate problems such as the desperate state of the economy.

The devastating cost of the war with Iraq and the collapse in world oil prices have caused Iran's oil revenues to plummet from \$16 billion last year to \$6 billion this year.

According to analysts in the Middle East, Syria is backing the Iranian moderates in the hope that the radical faction will be undercut in its funding of Shiite militants in Lebanon.

Radical groups such as Islamic Jihad (Holy War) and Hezbollah (Party of God) have extended their influence into areas of Lebanon once controlled by Syrian troops. The pro-Iranian groups have been funded, armed and often trained by Revolutionary Guards coming from Iran. Their operations are believed to be supervised by Hashemi's Office of Liberation Movements.

Lately, the growing strength of Hezbollah in southern Lebanon has begun to worry not only Syria but Israel as well. Hezbollah militants have frequently ambushed Israeli patrols in the region, employing suicidal tactics if necessary to kill their foes.

Both Islamic Jihad and Hezbollah have claimed responsibility for the seizure of American hostages in Lebanon. They held the 39 TWA hostages last year for 17 days before releasing them into the custody of Syria, reportedly after the intercession of Rafsanjani. Both groups are believed to be holding most, if not all, of the American and French citizens still captive.

The reports that former hostages the Rev. Benjamin Weir, the Rev. Lawrence Jenco and now David Jacobsen were released after arms shipments were delivered to Iran from third countries, such as Israel, appear to confirm Iran's influence with the Shiite militants in Lebanon.

But the arrest of Hashemi could complicate further hostage releases if the Lebanese Shiite groups balk at further cooperation unless their patron is freed and restored to his former prominence.

Saudi Arabia is also seeking to support Iran's moderate faction in the internal power struggle, hoping it will contain the war with Iraq and prevent violence from spreading throughout the gulf region.

Since Hashemi's arrest and the suppression of more aggressive revolutionaries in favor of Rafsanjani's "statist" approach, Middle East analysts noted, Iran has ceased armed attacks on ships in the gulf and supported negotiations with Kuwait and Saudi Arabia to establish a more peaceful order.

In return, the analysts said, Saudi Arabia has demonstrated greater sympathy for Iran's position within the Organization of Petroleum Exporting Countries. Iran has long backed sharp cutbacks in OPEC output to push up the price of oil, chiefly because much of its oil industry has been bombed out of production by Iraqi air raids.

Iran's goals have been blocked within OPEC by Saudi efforts to reassert control over the market by staging a price war to enforce more cooperation from non-OPEC producers.

The author of the Saudi price war strategy, Ahmed Zaki Yamani, was deeply despised by all factions in Iran, according to OPEC sources. His recent ouster as oil minister was cheered in Tehran and Saudi policy has now swung back in favor of production cutbacks designed to bring the price of oil back to at least \$18 a barrel.

Of all Middle Eastern countries, Israel has viewed the Iran-Iraq war with the most equanimity, seeing its two foes draining each other in blood and money. But Israel's role as middleman in delivering American-made weapons to Iran's military is based on other interests.

Israel is concerned about the welfare of 50,000 Jews still living in Iran and the provision of arms is considered one way of protecting them. Supplying weapons to Iran also provides a lucrative source of hard currency for the Israeli economy and did not run counter to American wishes.

"Because the U.S. asked for it and since it is not against our interests or our policy, then why not do you a favor?" explained an Israeli specialist on Middle East affairs.

But a more compelling reason for sustaining links to Iran, for both the United States and Israel, lies in the country's long-term strategic importance, experts said.

With Khomeini approaching the end of his days, the United States and Israel recognize Iran's geopolitical importance between the southern rim of the Soviet Union and the oil-rich Persian Gulf. The recent history of the Iranian arms flow through Israel, including a massive \$2 billion deal involving equipment ranging from missiles to jet fighters owned by Israel that was intercepted by U.S. investigators, is seen as a vital process of maintaining ties with the Iranian military.

"This was Israel's view all along," said Aaron Klieman, a professor at Tel Aviv University and an authority on Israeli arms sales. "Only the Iranian military stood between the Tudeh Communists [loyal to Moscow] and the right-wing fundamentalists."

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